

UNITED STATES DISTRICT COURT

District of Utah

UNITED STATES OF AMERICA

v.

DAVOR KOVACEVIC

JUDGMENT IN A CRIMINAL CASE

Case Number: DUTX 2:19CR00391-001 RJS

USM Number: 27019-081

Thomas J. Burns

Defendant's Attorney

THE DEFENDANT:☒ pleaded guilty to count(s) Two and Ten of the Indictment☐ pleaded nolo contendere to count(s) _____
which was accepted by the court.☐ was found guilty on count(s) _____
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 USC 1343	Wire Fraud		2
18 USC 1957(a)	Money Laundering		10

The defendant is sentenced as provided in pages 2 through 10 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.☐ The defendant has been found not guilty on count(s) _____☒ Count(s) 1,3-9 of the Indictment ☐ is ☒ are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

3/15/2023

Date of Imposition of Judgment

Signature of Judge

Robert J. Shelby

United States District Court Judge

Name and Title of Judge

3/17/2023

Date

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons to be imprisoned for a total term of:

NONE.

☐ The court makes the following recommendations to the Bureau of Prisons:

☐ The defendant is remanded to the custody of the United States Marshal.

☐ The defendant shall surrender to the United States Marshal for this district:

☐ at _____ ☐ a.m. ☐ p.m. on _____ .

☐ as notified by the United States Marshal.

☐ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

☐ before 2 p.m. on _____ .

☐ as notified by the United States Marshal.

☐ as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____
at _____ , with a certified copy of this judgment.

UNITED STATES MARSHAL

By _____
DEPUTY UNITED STATES MARSHAL

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

PROBATION

You are hereby sentenced to probation for a term of:

4 Years.

MANDATORY CONDITIONS

1. You must not commit another federal, state or local crime.
2. You must not unlawfully possess a controlled substance.
3. You must refrain from any unlawful use of a controlled substance. You must submit to one drug test within 15 days of placement on probation and at least two periodic drug tests thereafter, as determined by the court.
 - ☒ The above drug testing condition is suspended, based on the court's determination that you pose a low risk of future substance abuse. *(check if applicable)*
4. ☒ You must cooperate in the collection of DNA as directed by the probation officer. *(check if applicable)*
5. ☐ You must comply with the requirements of the Sex Offender Registration and Notification Act (34 U.S.C. § 20901, *et seq.*) as directed by the probation officer, the Bureau of Prisons, or any state sex offender registration agency in the location where you reside, work, are a student, or were convicted of a qualifying offense. *(check if applicable)*
6. ☐ You must participate in an approved program for domestic violence. *(check if applicable)*
7. ☐ You must make restitution in accordance with 18 U.S.C. §§ 2248, 2259, 2264, 2327, 3663, 3663A, and 3664. *(check if applicable)*
8. You must pay the assessment imposed in accordance with 18 U.S.C. § 3013.
9. If this judgment imposes a fine, you must pay in accordance with the Schedule of Payments sheet of this judgment.
10. You must notify the court of any material change in your economic circumstances that might affect your ability to pay restitution, fines, or special assessments.

You must comply with the standard conditions that have been adopted by this court as well as with any other conditions on the attached page.

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

STANDARD CONDITIONS OF SUPERVISION

As part of your probation, you must comply with the following standard conditions of supervision. These conditions are imposed because they establish the basic expectations for your behavior while on supervision and identify the minimum tools needed by probation officers to keep informed, report to the court about, and bring about improvements in your conduct and condition.

1. You must report to the probation office in the federal judicial district where you are authorized to reside within 72 hours of the time you were sentenced, unless the probation officer instructs you to report to a different probation office or within a different time frame.
2. After initially reporting to the probation office, you will receive instructions from the court or the probation officer about how and when you must report to the probation officer, and you must report to the probation officer as instructed.
3. You must not knowingly leave the federal judicial district where you are authorized to reside without first getting permission from the court or the probation officer.
4. You must answer truthfully the questions asked by your probation officer.
5. You must live at a place approved by the probation officer. If you plan to change where you live or anything about your living arrangements (such as the people you live with), you must notify the probation officer at least 10 days before the change. If notifying the probation officer in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
6. You must allow the probation officer to visit you at any time at your home or elsewhere, and you must permit the probation officer to take any items prohibited by the conditions of your supervision that he or she observes in plain view.
7. You must work full time (at least 30 hours per week) at a lawful type of employment, unless the probation officer excuses you from doing so. If you do not have full-time employment you must try to find full-time employment, unless the probation officer excuses you from doing so. If you plan to change where you work or anything about your work (such as your position or your job responsibilities), you must notify the probation officer at least 10 days before the change. If notifying the probation officer at least 10 days in advance is not possible due to unanticipated circumstances, you must notify the probation officer within 72 hours of becoming aware of a change or expected change.
8. You must not communicate or interact with someone you know is engaged in criminal activity. If you know someone has been convicted of a felony, you must not knowingly communicate or interact with that person without first getting the permission of the probation officer.
9. If you are arrested or questioned by a law enforcement officer, you must notify the probation officer within 72 hours.
10. You must not own, possess, or have access to a firearm, ammunition, destructive device, or dangerous weapon (i.e., anything that was designed, or was modified for, the specific purpose of causing bodily injury or death to another person such as nunchakus or tasers).
11. You must not act or make any agreement with a law enforcement agency to act as a confidential human source or informant without first getting the permission of the court.
12. If the probation officer determines that you pose a risk to another person (including an organization), the probation officer may require you to notify the person about the risk and you must comply with that instruction. The probation officer may contact the person and confirm that you have notified the person about the risk.
13. You must follow the instructions of the probation officer related to the conditions of supervision.
14. You must submit your person, property, house, residence, office, vehicle, papers, computers [as defined in U.S.C.(e)(1)], other electronic communications or data storage devices or media to a search, conducted by the probation office at a reasonable time and in a reasonable manner based upon reasonable suspicion of contraband or evidence of a violation of a condition of release; failure to submit to a search may be grounds for revocation; you must warn any other residents that the premises may be subject to searches pursuant to this condition

U.S. Probation Office Use Only

A U.S. probation officer has instructed me on the conditions specified by the court and has provided me with a written copy of this judgment containing these conditions. For further information regarding these conditions, see *Overview of Probation and Supervised Release Conditions*, available at: www.uscourts.gov.

Defendant's Signature _____

Date _____

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

SPECIAL CONDITIONS OF SUPERVISION

1. You must inform any employer or prospective employer of the current conviction and supervision status.
2. You must not enter into any self-employment while under supervision without prior approval of the U.S. Probation Office.
3. You must provide the U.S. Probation Office complete access to all business and personal financial information.
4. You must not create a DBA or LLC without prior approval of the U.S. Probation Office. You must also disclose to the U.S. Probation Office your involvement in existing DBAs or LLCs.

(the following special conditions of Probation are imposed until a determination is made re: Restitution. Once Restitution is satisfied the court may reconsider the following special conditions of Probation)

5. You must refrain from incurring new credit charges or opening additional lines of credit unless in compliance with any established payment schedule and obtain the approval of the U.S. Probation Office.
6. You must apply all monies received from income tax refunds, lottery winnings, judgements, and/or anticipated or unexpected financial gains to the outstanding Court-ordered financial obligations. You must immediately notify the probation officer of the receipt of any indicated monies.
7. You must be placed on the Statefinder and Treasury Offset programs, requiring any state and federal tax refunds be intercepted for purposes of Court-ordered financial obligations.
8. You must notify the U.S. Probation Office and the Office of the United States Attorney of any material change in your economic circumstances that might affect your ability to pay Court-ordered financial obligations. You must also notify the U.S. Probation Office and the Office of the United States Attorney of any loss of employment or increase or decrease in income.

DEFENDANT: DAVOR KOVACEVIC
 CASE NUMBER: DUTX 2:19CR00391-001 RJS

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Restitution</u>	<u>Fine</u>	<u>AVAA Assessment*</u>	<u>JVTA Assessment**</u>
TOTALS	\$ 200.00	\$ 308,049.07	\$ 0.00	\$ 0.00	\$ 0.00

☒ The determination of restitution is deferred until _____. An *Amended Judgment in a Criminal Case (AO 245C)* will be entered after such determination.

☐ The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss***</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
FedEx Ground Package Systems, Inc.			
1000 FedEx Drive			
Coraopolis, PA 15108	\$308,049.07	\$308,049.07	

TOTALS	\$	<u>308,049.07</u>	\$	<u>308,049.07</u>
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☐ Restitution amount ordered pursuant to plea agreement \$ _____

☐ The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☒ The court determined that the defendant does not have the ability to pay interest and it is ordered that:

☒ the interest requirement is waived for the ☐ fine ☒ restitution.

☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:

* Amy, Vicky, and Andy Child Pornography Victim Assistance Act of 2018, Pub. L. No. 115-299.

** Justice for Victims of Trafficking Act of 2015, Pub. L. No. 114-22.

*** Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

ADDITIONAL TERMS FOR CRIMINAL MONETARY PENALTIES

Restitution ordered \$308,049.07 to be paid at \$250 per month to FedEx Ground Package Systems, Inc. 1000 FedEx Drive, Coraopolis, PA 15108, ordered jointly & severally with co-dfts Zlate Balulovski - 2:19CR00391-002 RJS and Ryan Lee Mower - 2:19CR00391-003 RJS. Restitution is suspended until a decision is made if Restitution is satisfied by the Forfeiture Order, docket entry 162.

DEFENDANT: DAVOR KOVACEVIC
 CASE NUMBER: DUTX 2:19CR00391-001 RJS

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties is due as follows:

- A** ☒ Lump sum payment of \$ 200.00 due immediately, balance due
- ☐ not later than _____, or
☐ in accordance with ☐ C, ☐ D, ☐ E, or ☐ F below; or
- B** ☐ Payment to begin immediately (may be combined with ☐ C, ☐ D, or ☐ F below); or
- C** ☐ Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or
- D** ☐ Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E** ☐ Payment during the term of supervised release will commence within _____ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F** ☒ Special instructions regarding the payment of criminal monetary penalties:
 Restitution ordered \$308,049.07 to be paid at \$200 per month to FedEx Ground Package Systems, Inc. 1000 FedEx Drive, Coraopolis, PA 15108, ordered jointly & severally with co-defts Zlate Balulovski - 2:19CR00391-002 RJS and Ryan Lee Mower - 2:19CR00391-003 RJS. Restitution is suspended until a decision is made if Restitution is satisfied by the Forfeiture Order, docket entry 162.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during the period of imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

☒ Joint and Several

Case Number Defendant and Co-Defendant Names (including defendant number)	Total Amount	Joint and Several Amount	Corresponding Payee, if appropriate
2:19CR00391-002 RJS - Zlate Balulovski	308,049.07	308,049.07	

☐ The defendant shall pay the cost of prosecution.

☐ The defendant shall pay the following court cost(s):

☒ The defendant shall forfeit the defendant's interest in the following property to the United States:
 (SEE NEXT PAGE)

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) AVAA assessment, (5) fine principal, (6) fine interest, (7) community restitution, (8) JVT A assessment, (9) penalties, and (10) costs, including cost of prosecution and court costs.

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

ADDITIONAL DEFENDANTS AND CO-DEFENDANTS HELD JOINT AND SEVERAL

Case Number Defendant and Co-Defendant Names <u>(including defendant number)</u>	<u>Total Amount</u>	Joint and Several <u>Amount</u>	Corresponding Payee, <u>if appropriate</u>
Ryan Lee Mower - 2:19CR00391-003 RJS	\$308,049.07	\$308,049.07	

DEFENDANT: DAVOR KOVACEVIC
CASE NUMBER: DUTX 2:19CR00391-001 RJS

ADDITIONAL FORFEITED PROPERTY

Funds seized from bank accounts held at America First Credit Union:
\$9,820.46 in United States currency seized from account number ending in 5967-9 in the name of Davor Kovacevic and M. K.

Funds seized from bank accounts held at Wells Fargo Bank:
\$3,431.56 in United States currency seized from account number ending in 4339 in the name of D&Z Trucking Inc.;
\$130.72 in United States currency seized from account number ending in 2366 in the name of D&Z Trucking Inc.;
\$246.44 in United States currency seized from account number ending in 8197 in the name of D&Z Trucking Inc.;
\$1,257.64 in United States currency seized from account number ending in 8873 in the name of D&Z Trucking Inc.;
\$2,313.07 in United States currency seized from account number ending in 2045 in the name of Romkat Transportation Inc.;
\$1,101.99 in United States currency seized from account number ending in 0932 in the name of Romkat Transportation Inc.;
\$883.22 in United States currency seized from account number ending in 1207 in the name of V&M Logistics Inc.;
\$7,859.35 in United States currency seized from account number ending in 7688 in the name of V&M Logistics Inc.

Funds seized from bank account held at JP Morgan Chase Bank:
\$9,891.98 in United States currency seized from account number ending in 5857 in the name of Davor Kovacevic and M. K.

The following vehicle and trailers:
\$17,700.00 Cash/Currency in lieu of 2017 Polaris Razor, VIN # 4XAVBE992HB681249, Registered to V&M Logistics;
\$7,300.00 Cash/Currency in lieu of 2019 Novae Enclosed Trailer, VIN 5JWTC1426KN514764, registered to V&M Logistics;
\$7,350.00 Cash/Currency in lieu of 2019 Novae Enclosed Trailer, VIN 5JWTC1428KN514765, registered to V&M Logistics.

Proceeds from Vehicle:
\$58,500.00 representing proceeds from the sale of a 2017 Ford F-350 Truck, VIN # 1FT8W3BT7HEC67130, registered in the name of V&M Logistics

Proceeds from Real Property:
Pursuant to the Settlement Agreement entered into by the parties, the net proceeds of \$475,285.17 as a substitute res from the sale of 2220 Murray Holladay Road# 15, Holladay, Utah; and 2220 Murray Holladay Road #80, Holladay, Utah.